

## **FOR IMMEDIATE RELEASE: March 13, 2003**

CONTACT: Maria Velasquez, Press Secretary (619) 235-5725 (pager & voicemail)

### **NO WINNERS IN AN ILLEGAL MOTORCYCLE LOTTERY *SAN DIEGO CITY ATTORNEY'S OFFICE PROSECUTES RETAILER***

**San Diego, CA:** The Honorable Janet Kinter, Judge of the San Diego Superior Court, sentenced Indian Motorcycle San Diego, for operating an illegal lottery and conducting misleading advertising. Indian Motorcycle San Diego is owned by 5 and 1 Inc., a California corporation, and its Chief Executive Officer is 55-year-old Michael Mallonee of Ramona. The investigation by the Consumer and Environmental Protection Unit of the City Attorney's Office discovered that approximately 1,000 people purchased the lottery tickets for a chance to win an Indian Chief motorcycle. According to Deputy City Attorney Kathryn Lange, the company was ordered to forfeit the motorcycle, valued at \$19,800, to the State and was fined \$600.

In 2001, Indian Motorcycle San Diego began selling \$5.00 lottery tickets for a chance to win a custom 2001 Indian Chief motorcycle. The tickets were sold at the Indian Motorcycle retail stores in San Diego and Ramona and at an Indian Motorcycle promotional booth located at "Padres Town" in the parking lot of Qualcomm Stadium.

The lottery ticket said the drawing would be held at half time of the 2002 Super Bowl. After the 2002 Super Bowl, two lottery ticket holders called Indian Motorcycle to find out if they had won. They were told that there had been no drawing. The ticket holders were told that the lottery would be drawn at half time of the 2003 Super Bowl because, according to Mallonee, the cost of the motorcycle had not yet been covered by the proceeds from the lottery sale.

With very limited exceptions, lotteries are illegal in California. As of July 2001, nonprofit organizations that register annually with the California Department of Justice may conduct raffles, if they follow certain regulations. Violating California's lottery law is a misdemeanor and subjects the offender to a \$1,000 fine and six months in jail.

Anyone who purchased an Indian Motorcycle lottery ticket should contact Indian Motorcycle for a refund.

**###**